

## Message Text

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17

ACTION NEA-09

INFO OCT-01 ISO-00 EB-07 RSC-01 /018 W

----- 076925

R 070640Z JAN 75

FM AMEMBASSY ABU DHABI

TO SECSTATE WASHDC 2414

USDOC WASHDC

INFO AMEMBASSY BEIRUT

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY TEHRAN

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E.O. 11652: N/A

TAGS: BTIO, TC

SUBJ: JOINT VENTURE INVESTMENT OPPORTUNITY

REF: ABU DHABI 1704

1. AL-AHMADIAH COMPANY (P.O. BOX 2596, DUBAI, UAE - CABLE COMATCO), MEDIUM SIZE BUT WELL-KNOWN BUILDING CONTRACTOR IN DUBAI IS SEEKING U.S. JOINT VENTURE PARTNER TO ESTABLISH NEW UAE FIRM SPECIALIZING IN ROAD CONSTRUCTION AND REPAIR THROUGH THE UAE. NEW FIRM WOULD BE CAPITALIZED AT UAE DIRHAMS 10 MILLION (\$2.5 MILLION), 50 PERCENT CONTRIBUTED BY EACH PARTNER. RETURN OFFERED IS 5 PERCENT OF NET PROFIT. NEW ENTERPRISE WOULD IMPORT ALL MATERIALS DIRECTLY (AS OPPOSED TO CURRENT PRACTICE OF PURCHASING THROUGH LOCAL AGENTS) AND PURCHASE HEAVY ROAD CONSTRUCTION EQUIPMENT.

2. AL-AHMADIAH IS OWNED BY SEVERAL IMPORTANT FIGURES IN DUBAI. SILENT PARTNER IS SHAIKH HAMDAN BIN RASHID, SON OF DUBAI'S RULER AND UAE MINISTER OF FINANCE.

3. EMBASSY OFFICER SPOKE WITH S.K. GOKHALE, AL-AHMADIAH GENERAL MANAGER. PROPOSAL OUTLINED IN PARA ONE IS NOT FINAL THUS OPEN TO NEGOTIATION. IT IS POSSIBLE THAT U.S. PARTNER MAY SUBSTITUTE MANAGERIAL AND/OR TECHNICAL EXPERTISE, BUT SOME EQUITY HOLDING

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IN NEW FIRM IS EXPECTEC.

4. DUE TO NATURE OF DECISION-MAKING PROCESS IN UAE, IT IS IMPOSSIBLE TO PROVIDE ACCURATE INFORMATION ON NEW ROAD PROJECTS. BOTH ACTUAL CONCEPTION OF A GIVEN PROJECT AND AWARD OF CONTRACT ARE DEPENDENT ON DEGREE OF POLITICAL CLOUT.

5. IN ACCORDANCE WITH WISHES OF AL-AHMADIAHTN EMBASSY DOES NOT RECOMMEND PUBLICITY FOR OPPORTUNITY. REQUEST DOC INFORM SEVERAL LEADING, INTERNATIONALLY EXPERIENCED FIRMS AND PROVIDE EMBASSY WITH LIST OF FIRMS NOTIFIED ASAP. EMBASSY BELIEVES APPROACH OF AL-AHMADIAH COMPANY STEMS DIRECTLY FROM AMBASSADOR'S VISIT TO DUBAI IN NOVEMBER. SINCE OWNERSHIP OF FIRM IS HELD BY PROMINENT DUBIANS, IT IS IMPORTANT THAT EMBASSY BE RESPONSIVE.

6. EMBASSY HAS ALREADY PROVIDED GOKHALE WITH ADDRESS OF WALLACE INTERNATIONAL LTD. OF DALLAS TEXAS.

7. WTDR IN PREPARATION.  
STERNER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
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**Disposition Reason:**  
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**Original Handling Restrictions:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JOINT VENTURE INVESTMENT OPPORTUNITY  
**TAGS:** BTIO, TC  
**To:** STATE COM  
**Type:** TE  
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